

Date Mailed July 30, 1998
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BEFORE THE  
  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of the St. Croix Improvements, Inc.,  
Pierce County, as a Water Public Utility,  
for Authority to Increase Water Rates

5200-WR-100

**NOTICE OF INVESTIGATION, TELEPHONIC HEARING,  
AND ASSESSMENT OF COSTS**

On July 8, 1997, the St. Croix Improvements, Inc., Pierce County, (applicant), as a water public utility, filed an application with the Public Service Commission (Commission) under ss. 196.03, 196.20, and 196.37, Stats., for authority to increase water rates. Initial hearing was held on February 6, 1998. Subsequent to a Commission audit and further review, a second hearing is now being scheduled.

Applicant originally requested a rate increase which would produce an 8.50 percent rate of return on net investment rate base. Applicant cited increases in operating expenses and the value of its utility plant, since its last rate case in 1982, as the primary reasons for needing an increase.

At the initial hearing Commission staff has proposed a rate increase of 58 percent. After further review, staff now is proposing an overall increase in rates of 42 percent. If staff's proposal is approved, an average residential customer's bill would increase 42 percent, from \$76.08 to \$108.00, quarterly. (An average residential customer is one using 19,000 gallons of water quarterly.) This proposed increase is approximately \$0.35 per day.

Applicant is responsible for notice to its customers of the filing of the above application with the Commission, and, pursuant to s. PSC 2.73, Wis. Adm. Code, for producing proof of such notice at the hearing.

This is a Type III action under s. PSC 4.10(3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

**NOTICE IS HEREBY GIVEN** that the Commission will hold a second public hearing on August 25, 1998, at 9:00 a.m. This will be a telephonic hearing involving two sites. The applicant will

provide a room for customer participation in the conference room at the First National Bank of River Falls in Prescott located at 1151 North Canton Street, Prescott, Wisconsin. Customers may call the utility at (715) 262-3214 for further details on the location of the hearing room. This building is accessible to people in wheelchairs. Commission staff will participate from the Tomorrow River Room in the Public Service Commission Office Building, 610 North Whitney Way, Madison, Wisconsin. This building is accessible to people in wheelchairs through the Whitney Way first floor entrance (lobby). Parking for people with disabilities is available on the south side of the building. Any person with a disability who needs additional accommodations should contact Richard Teslaw, General Services Assistant, at (608) 267-9766.

**NOTICE IS FURTHER GIVEN** that this matter is deemed to be a Class 1 proceeding as defined in s. 227.01(3)(a), Stats.

**NOTICE IS FURTHER GIVEN** that the Commission deems it necessary in order to carry out its duties herein to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such investigation will be assessed against and collected from the applicant, in accordance with the provisions of s. 196.85, Stats., and Ch. PSC 5, Wis. Adm. Code.

If there are any questions regarding the hearing scheduled in this notice, please call Nancy Anthony, Examining Division at (608) 266-1261.

Other questions regarding this matter may be directed to Thomas McDonald at (608) 266-7236.

Dated at Madison, Wisconsin, \_\_\_\_\_

For the Commission.

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Joyce A. Narveson, Administrator  
Division of Water, Compliance and Consumer Affairs

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